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Finance Division

ATTN: Mr.

26 May 1953

Employee Services Staff

Transfer of Insurance Functions

1. This is in reference to your memorandum of 15 May 1953 relative to the transfer of the insurance functions from the Finance Division, Comptroller's Office, to the Employee Services Staff, Personnel Office.

2. Due to the fact that the present group hospitalization Drive within the Washington area will not be concluded until the last day of this month and for certain other reasons which are cited hereafter, the writer respectfully requests that action relative to your resignation be delayed for one month until 30 June 1953.

a. It can be appreciated that, with the momentum and resultant success of this drive, a great deal of additional pressure has been put upon the small staff operating the procedures. I know you are also aware of the fact that for many weeks I was obliged to operate with only your two capable employees who were transferred over to my staff and that the Drive had been under way for several weeks before I was able to augment that small staff with one new person assigned to me, plus another who had been detailed to me.

b. I am happy to state that, as of Wednesday, 27 May, at which time the Drive will be within three days of its completion, I will have my last person comprising my staff aboard and ready to learn procedures.

3. It is understood, as verbally agreed with you during the past week, that with the assistance of the Finance Division which you so kindly offered at that time, we shall take immediate steps to open a new bank account in a name agreeable to all concerned, and the WEAPA life insurance account will be taken over by this Staff and the Finance Division, therefore, relieved of that burden.

4. Your concurrence in this request will be greatly appreciated.

ESS/JRE:jmd (25 May 1953)

Chief

Distribution:

1 - Courtesy

1 - Subject file ✓

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# Office Memorandum • UNITED STATES GOVERNMENT

TO : Employees Service Staff

DATE: 15 May 1953

ATTN: Mr. 

FROM : Finance Division

SUBJECT: Transfer of Insurance Functions

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1. In accordance with our discussion regarding the transfer of insurance functions from the Finance Division, Comptroller's Office to the Employees Service Staff, Personnel Office, the undersigned will become inactive regarding insurance matters, as of 1 June 1953.
  2. In this connection, the following steps have been taken:
    - a. The undersigned's resignation from the Government Employees Health Association, effective 31 May 1953, has been forwarded this date to the President of the Association.
    - b. Elimination of the life insurance account from the Finance Division roster of accounts, in addition to the discontinuance of Finance Division's furnishing the Employees Service Staff with a schedule of collections and disbursements on insurance matters. Both of these to be effective 31 May 1953.
    - c. A request to the Audit Office to audit the records of the insurance office as of the Close of Business 31 May 1953, same to take place after that date, so that there will be no interruption of the present "drive" for membership in the GHI plan.
  3. Items to be accomplished are as follows:
    - a. Substitution of name or names on the GEHA bank account with the Metropolitan National Bank of members of the Employees Service Staff in lieu of the present signatory,  as Secretary-Treasurer.
    - b. Establishment of a new bank account or the expansion of the GEHA account to include cash collections received in payment of life insurance premiums.
    - c. The establishment of a procedure with Machine Records regarding the furnishing of monthly insurance statements directly to the to the Employees Service Staff, rather than through the Finance Division, as has been the procedure in the past.
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4. In connection with 3 a above, the undersigned has visited the Metropolitan National Bank and obtained from them the forms which must be executed in order to accomplish same. These forms have been transmitted to the President of GEHA. In connection with 3 b the Finance Division will be glad to render assistance to the Employees Service Staff in the opening of a new bank account, provided the names of the signatories are made available to the Finance Division.
5. Payroll deductions from the unvouchered payroll will continue to be made for both life and health insurance premiums and checks will be issued against such deductions upon specific request from the Employees Service Staff; however, any statements in connection therewith should be obtained directly from Machine Records.



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cc: Audit Office  
Accounts Branch

FD/RCR:mgd (14 May 1953)

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